

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2260 – SB 3487

March 7, 2012

SUMMARY OF BILL: Adds nuts, annuals, biennials, perennials, and trees to the definition of “community garden”. Authorizes the tax exempt sale of items grown in a community garden if all proceeds are used to defray the cost of operating and maintaining the garden. Establishes the priority of recipients in the allotment of public land for community gardens. Requires the State Board of Education (SBE) to develop and implement a program promoting participation in community gardening by students in kindergarten through twelfth grade. Authorizes local governments to sell property suitable for community gardens to private purchasers. Requires such purchasers to be certified as tax exempt and qualified to operate and maintain a community garden. Requires property ownership to revert to the local government or another qualifying nonprofit entity if the private purchaser ceases to operate and maintain a community garden on the property. Requires the Commission on Aging and Disability to make available information regarding the nutritional benefits of eating garden produce.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$7,200

Assumptions:

- The SBE will convene a task force with the requisite expertise to develop and implement an educational program related to community gardens.
- SBE anticipates that seven members will comprise the task force, which will hold four meetings each year. The members will be reimbursed for travel expenses at the rates proscribed by the State Comprehensive Travel Regulations.
- The recurring increase in state expenditures is \$7,182 $\{[(150 \text{ miles} \times \$0.47 \text{ per mile}) + (\$120 \text{ lodging} + \$66 \text{ meals})] \times 7 \text{ members} \times 4 \text{ meetings}\}$.
- According to the Comptroller of the Treasury, assuming a county or municipality conveys the property to an entity in lieu of auctioning the property at a delinquent tax sale on terms that result in less than the delinquent tax amount due, any decrease in local government revenue will be minimal.
- Based upon information provided by the Department of Agriculture, the University of Tennessee Extension program may incur expenses in maintaining community garden properties. These expenses will not be significant.
- According to the Department of Education, there will not be a cost to implement and develop a program for students in grades K-12.

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- Requiring the Commission on Aging and Disability to provide nutritional information can be accomplished utilizing existing resources without an increased appropriation or reduced reversion.
- According to the Department of Revenue, tax exempt sales from community gardens will reduce taxable sales of food products currently purchased at retail by an amount considered not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise" followed by a stylized flourish.

Lucian D. Geise, Executive Director

/sbh